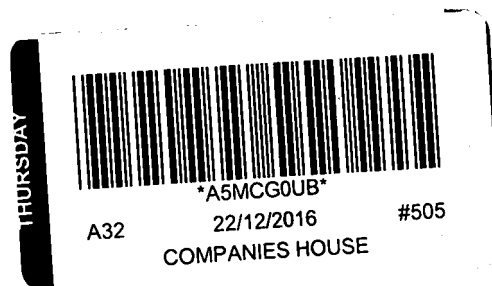


**First Charles Investments Limited**

**Financial Statements**

**31 March 2016**



# **First Charles Investments Limited**

## **Financial Statements**

**Year ended 31 March 2016**

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# **First Charles Investments Limited**

## **Directors' Report**

### **Year ended 31 March 2016**

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The directors present their report and the financial statements of the Company for the year ended 31 March 2016.

The Company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the year and preceding financial year. It is anticipated that the Company will remain dormant for the foreseeable future.

#### **Principal activities and business review**

The Company did not trade during the year.

#### **Directors**

The directors who served the Company during the year were as follows:

D David  
BSE Freshwater

The Articles of Association of the Company do not require the directors to retire by rotation.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

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# First Charles Investments Limited

## Directors' Report *(continued)*

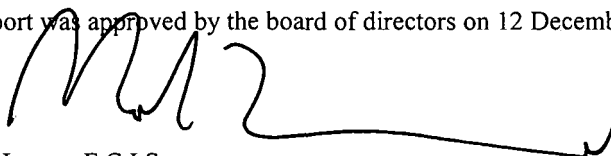
Year ended 31 March 2016

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### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 12 December 2016 and signed on behalf of the board by:



M R M Jenner, F.C.I.S  
Company Secretary

Registered office:

FRESHWATER HOUSE  
158-162 SHAFTESBURY AVENUE  
LONDON  
WC2H 8HR

# **First Charles Investments Limited**

## **Independent Auditor's Report to the Shareholder of First Charles Investments Limited**

**Year ended 31 March 2016**

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We have audited the financial statements of First Charles Investments Limited for the year ended 31 March 2016, on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Company's shareholder, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# First Charles Investments Limited

## Independent Auditor's Report to the Shareholder of First Charles Investments Limited (continued)

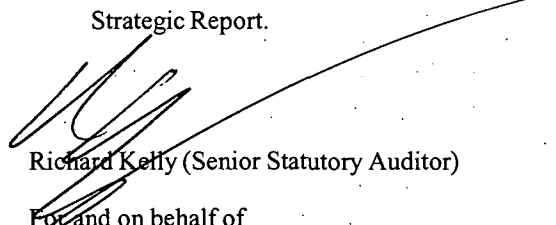
Year ended 31 March 2016

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### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and
- the directors were not entitled to take advantage of the small companies exemption in preparing the Strategic Report.



Richard Kelly (Senior Statutory Auditor)

For and on behalf of  
KPMG LLP  
Chartered accountant & statutory auditor  
15 Canada Square  
London  
E14 5GL

12<sup>th</sup> December 2016

# First Charles Investments Limited

## Balance Sheet


31 March 2016

	Note	2016 £	£	2015 £	£
<b>Current assets</b>					
Debtors	5	5,050		5,050	
<b>Creditors: amounts falling due within one year</b>	7	<u>(24,192)</u>		<u>(24,192)</u>	
<b>Net current liabilities</b>			<u>(19,142)</u>		<u>(19,142)</u>
<b>Total assets less current liabilities</b>			<u>(19,142)</u>		<u>(19,142)</u>
<b>Capital and reserves</b>					
Called up share capital	8		97		97
Other reserve	9		3,730		3,730
Profit and loss account	9		<u>(22,969)</u>		<u>(22,969)</u>
<b>Shareholder deficit</b>			<u>(19,142)</u>		<u>(19,142)</u>

The Company did not trade during the current year or prior year and has not made either a profit or loss.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 12 December 2016, and are signed on behalf of the board by:

  
BSE Freshwater  
Director

Company registration number: 01293651

The notes on pages 6 to 10 form part of these financial statements.

# **First Charles Investments Limited**

## **Notes to the Financial Statements**

**Year ended 31 March 2016**

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### **1. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **2. Accounting policies**

#### **Basis of preparation**

First Charles Investments Limited (the "Company") is a company limited by shares and incorporated in the UK. The Company's Registered Office is Freshwater House, 158-162 Shaftesbury Avenue, London WC2H 8HR.

The financial statements have been prepared under the historical cost convention except that investment property is measured at fair value.

The financial statements have been prepared in accordance with the accounting principles appropriate to a going concern, notwithstanding the Company's net current liabilities, which the directors believe to be appropriate for the following reasons. The Company is dependent for its working capital on funds provided to it by Daejan Holdings PLC, the Company's ultimate parent undertaking. The Daejan Holding PLC group has considerable financial resources together with a large property portfolio and access to credit facilities. Daejan Holdings PLC has provided the Company with an undertaking that, for at least 12 months from the date of approval of these financial statements, they will continue to make available such funds as are needed by the Company.

This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of the approval of these financial statements they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 11.



# **First Charles Investments Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2016**

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### **2. Accounting policies** *(continued)*

#### **Disclosure exemptions**

The Company's ultimate parent undertaking, Daejan Holdings PLC includes the Company in its consolidated financial statements. The consolidated financial statements of Daejan Holdings PLC are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Freshwater House, 158-162 Shaftesbury Avenue, London WC2H 8HR. In these financial statements, the company is considered to be a qualifying entity (for the purposes of FRS 102) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Daejan Holdings PLC include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

#### **Dormant status**

The Company is dormant as defined by section 1169 of the Companies Act 2006. The Company received no income and incurred no expenditure during the current year or prior year and therefore no income statement is presented within these financial statements. There have been no movements in shareholder deficit during the current year or prior year.

#### **Income available for distribution**

Under the Articles of Association, realised capital profits are not available for distribution as dividends and these profits are taken to a non-distributable reserve.

# First Charles Investments Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

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### 2. Accounting policies *(continued)*

#### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all its financial liabilities.

#### Basic financial instruments

##### Trade and other debtors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

##### Trade and other creditors

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

#### Related party transactions

The Company has taken advantage of the exemptions in FRS 102 in order to dispense with the requirements to disclose transactions with other companies in the Daejan Holdings PLC Group.

### 3. Remuneration of directors

The directors did not receive any remuneration during the year or in the previous year.

Apart from the directors, there were no other employees of the Company during the year or in the previous year.

### 4. Auditor's remuneration

Audit fees are borne by the ultimate parent company and are not recharged to the Company.

### 5. Debtors

	2016 £	2015 £
Amounts owed by group undertakings and undertakings in which the Company has a participating interest	<u>5,050</u>	<u>5,050</u>

All debtors are payable within one year or are payable on demand and interest free.

# First Charles Investments Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 6. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2016 £	2015 £
Bank overdrafts	<u>(5)</u>	<u>(5)</u>

### 7. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	5	5
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>24,187</u>	<u>24,187</u>
	<u>24,192</u>	<u>24,192</u>

All intra-group loans are sterling loans repayable on demand and interest free.

### 8. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	7	7	7	7
10% non-cumulative non-voting preference shares of £1 each	<u>90</u>	<u>90</u>	<u>90</u>	<u>90</u>
	<u>97</u>	<u>97</u>	<u>97</u>	<u>97</u>

The preference shares confer the right on the holders to receive a non-cumulative dividend each year at the rate of 10% net on the amounts paid up. These shares would rank above the ordinary shares and be redeemable at par, in the event of the winding up of the Company. There are insufficient reserves to pay a dividend.

### 9. Reserves

The Profit and loss account reserve records retained earnings and accumulated losses.

The Other reserve records a non-distributable reserve.

### 10. Controlling party

The Company's ultimate controlling party is its ultimate parent company, Daejan Holdings PLC, which is incorporated in Great Britain and registered in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is that headed by Daejan Holdings PLC. The consolidated financial statements of Daejan Holdings PLC are available to the public and may be obtained from the Daejan Holdings PLC website ([www.daejanholdings.com](http://www.daejanholdings.com)) or Freshwater House, 158-162 Shaftesbury Avenue, London WC2H 8HR. No other group financial statements include the results of the Company.

# **First Charles Investments Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2016**

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### **11. Transition to FRS 102**

These are the first financial statements that comply with FRS 102. The Company transitioned to FRS 102 on 1 April 2014.

No transitional adjustments were required in equity or profit or loss for the year.